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John Hoeven, Governor • Maren L. Daley, Executive Director

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January 11, 2002

Mr. Joseph C. Juarez
Regional Administrator
USDOL-ETA, Region IV
525 Griffin Street – Room 317
Dallas, Texas 75202

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To <i>Mary Lou</i>	From <i>Maren L.</i>	
Co.	Co.	
Dept.	Phone #	
Fax #	Fax #	

Dear Mr. Juarez:

As the state's administrative entity for Workforce Investment Act funds, Job Service North Dakota continues a history of successful delivery of employment programs. Job Service North Dakota maximizes quality and effectiveness through mechanisms put in place to serve a multitude of programs statewide. These mechanisms include the One Stop Operating System, comprehensive program administration, and a statewide service delivery team.

Section 123 of WIA law prohibits this efficient use of WIA funds by requiring that a number of youth services be competitively purchased. This increases administrative burden and diminishes services. It introduces redundancy in functions such as monitoring, data management, and payroll, and forces youth to move between multiple providers.

North Dakota solicited providers of youth services via statewide public notice to comply with WIA competitive procurement requirements. Responses were few and limited in scope, and reflected the difficulty in providing services to all participants regardless of location or numbers. Job Service North Dakota has the facility to meet the needs of this rural, sparsely populated state.

In order to continue to successfully move our youth into the workforce, we request that a waiver be granted to WIA Section 123, regarding competitive procurement for Youth Services. For convenience and clarity, the attached waiver request is presented in a format that responds to the instructions for requesting waivers in WIA Section 189(i)(4)(B).

Please consider this request for waiver as a move toward more effective delivery of Workforce Investment Act programs.

Sincerely,

Maren L. Daley
WIA Liaison

Attachment

701/328 2825 (Voice) • 800/366-6888 (TTY Users-Relay ND) • 701/328 4000 (FAX)

Job Service North Dakota is a Proud Member of America's Workforce NetworkSM

**Request for Waiver
Workforce Investment Act
North Dakota
Youth Procurement**

i. Identify statutory or regulatory requirements to be waived and the goals the state intends to achieve as a result of the waiver.

WIA Section 123 states the following:

From funds allocated under paragraph (2)(A) or (3) of section 128(h) to a local area, the local board for such area shall identify eligible providers of youth activities by awarding grants or contracts on a competitive basis, based on the recommendations of the youth council and on the criteria contained in the State plan, to the providers to carry out the activities, and shall conduct oversight with respect to the providers, in the local area.

The Workforce Investment Act regulations describe the following exceptions to the youth provider selection requirements:

20 CFR 664.405(a)(4), provides that the competitive selection requirements of WIA Section 123, do not apply to the program design framework component which includes intake, assessment and development of the individual service strategy, when these services are provided by the local grant recipient or fiscal agent.

20 CFR 664.610, provides that providers of summer employment activities must be selected by awarding a grant or contract on a competitive basis, unless the grant recipient or the fiscal agent administers this program element.

The State of North Dakota is requesting a waiver of WIA Section 123 competitive selection requirements for all youth program elements when the local grant recipient or fiscal agent provides these services.

It appears that the requirement for competitive selection of youth service providers was designed with urban areas in mind. The effect on rural states such as North Dakota is to increase administrative burden, reduce effective service delivery, and limit continuity of service. Section 123 introduces duplication of administrative staff, fiscal accountability, and reporting systems to North Dakota. It creates hardship in obtaining quality services for rural areas with few providers, and it interrupts services to youth by requiring multiple provider interventions.

North Dakota is a single Local Area and Job Service North Dakota is designated as the WIA grant recipient and One Stop Center Operator in the state. Job Service North Dakota serves as the delivery agent for a variety of programs with similar administrative and program functions. The agency has mechanisms in place for efficient, effective delivery of youth program components, including assessment and intake, work experience activities, life and soft skills training, guidance and counseling, support services and follow up services, as well as the accompanying reporting and fiscal controls.

By allowing the grant recipient to deliver all services, this waiver will alleviate impediments to effective service delivery and will avert the need to modify procedures that would result in undue

delays to current contracting practices. In addition, this waiver will allow for the procurement of activities earlier and utilize other allowable contracting practices.

ii. Describe the action the state has undertaken to remove state or regulatory barriers

In order to maximize services and funding, North Dakota's Workforce Development Council, at the recommendation of the Youth Development Council, has chosen to allow its grant recipient to deliver all youth services - design framework and summer employment opportunities, as well as the program elements that are to be competitively procured via Section 123.

Although originally approved as part of the North Dakota Strategic Five-Year State Workforce Development Plan, compliance with Section 123 was questioned by the Department of Labor during a WIA Implementation review. North Dakota established compliance with WIA Section 123 by documenting a statewide solicitation for entities interested in providing youth services. We have had limited responses to that solicitation, with all but one responder indicating the ability to provide a few elements in only a few counties. The one responder indicating interest in providing services statewide was interested in providing only one program element. We find this indicative of the difficulty in serving a geographically large and sparsely populated area with limited resources. Multiple providers of the same services cannot be supported in North Dakota.

Youth services are already fully integrated in the One Stop Center. Maintaining the WIA Youth Program in the One Stop Center allows youth access to core services, self-service resources, and linkages to the job market and employers. In addition, youth will be well acquainted with the resources available in the One Stop Center and use it as an employment resource in their adult life.

North Dakota included the following statement in its WIA plan:

To avoid duplication, the One-Stop Center Operator will provide services and activities under Title I of WIA. If it is determined that specific services needed may be provided more efficiently or effectively by another entity, a service provider will be selected using the following competitive process except when partnering and collaboration are part of the project development.

A copy of the full policy on the selection of service providers can be found in Appendix K of North Dakota's plan (Attachment I).

The state WIA plan was approved, but North Dakota was later notified that the above policy was not in compliance with statute.

Mr. Joseph C. Juarez, Administrator, DOI-Region IV, has recommended that North Dakota remove reference to sole sourcing with partner agencies from the plan. That reference will be deleted. The policy in Appendix K of the state plan will be changed when other modifications under consideration are completed.

iii. Describe the goals of the waiver & expected programmatic outcomes if the request is granted.

A waiver to Section 123 will allow North Dakota to reduce duplication of administrative effort, maintain continuity of service, prevent program redundancy, and enhance program outcomes.

iv. Describe the individuals impacted by the waiver.

This waiver positively impacts youth served under Title I of the Workforce Investment Act. The grant administrator has extensive experience and a fully integrated One Stop system to maximize service to youth. In addition, the funds saved by the reduced administrative burden are made available for direct services.

v. Describes the process to monitor the progress in implementing such a waiver and process by which notice & opportunity to comment on request has been provided to the local board.

The Workforce Development Council will monitor implementation of the waiver.

This waiver request is submitted with the approval of the North Dakota Workforce Development Council as recommended by the North Dakota Youth Development Council. In addition, it is based on policy originally approved by the Youth Development Council and Workforce Development Council.

WORKFORCE DEVELOPMENT STRATEGIC PLAN

APPENDIX K

SELECTION OF SERVICE PROVIDERS

Background:

Core and intensive services for adults and dislocated workers may be provided directly through the One-Stop Center Operator or through contracts with service providers approved by the local board.

Training services for adults and dislocated workers may be provided through contract, rather than individual training accounts, for programs of demonstrated effectiveness offered by a community-based organization or another private organization to serve special participant populations that face multiple barriers to employment.

The WIA requires the local board (NDWDC) to identify eligible providers of youth activities by awarding grants or contracts on a competitive basis, based on the recommendations of the Youth Council and on the criteria contained in the State plan, and to conduct oversight of the providers.

Policy:

A. General

To avoid duplication, the One-Stop Center Operator will provide services and activities under Title I of WIA. If it is determined that specific services needed may be provided more efficiently or effectively by another entity, a service provider will be selected using the following competitive process except when partnering and collaboration are part of the project development.

The State WIA Administrative Entity will develop two lists of potential service providers that have submitted a written expression of interest in providing adult/dislocated worker activities and youth activities. Solicitation of interested providers will be done through statewide advertisement to begin the initial lists and will be repeated every two years to reach new providers. Providers may be added to the lists at any time by submitting a written expression of interest in providing adult/dislocated worker activities or youth activities.

When it is determined that specific services needed may be provided more efficiently or effectively by another Partner or entity, the State WIA Administrative Entity will develop a request for proposal identifying the program design requirements and expected outcomes. The expected outcomes will be established based on the activity and the characteristics of the customers to be served. The outcomes established may not be the same as the core indicators of performance, but will result in achieving desired project outcomes, as well as, continuously improving system performance. The request for proposal will be sent to all providers on the appropriate list, either adult/dislocated worker or youth, for the geographic area.

All proposals received will be reviewed and rated uniformly by the State WIA Administrative Entity. (See attached Provider Contracting Rating Sheet) The rating process will include an evaluation to determine that the proposal addresses all program design requirements, a cost analysis, and a review of the provider's past performance. In addition, the rating process will evaluate the key program design requirements versus the desired expected outcomes.

The highest rated provider will be selected. If only one proposal is received, it will be rated to determine if it meets the minimum requirements before the provider is selected.

Before a contract is negotiated, a pre-award review will be completed by the State WIA Administrative Entity to evaluate the provider's ability to administer and complete the contract.

B. Training Services for Special Populations

A contract for services may be developed when it is determined there is a training services program of demonstrated effectiveness offered by a community-based organization or another private organization to serve special participant populations that face multiple barriers to employment. The following criteria will be used to determine demonstrated effectiveness:

- a. Financial capacity of the organization;
- b. Demonstrated performance in measures appropriate to the program, including completion rates, attainment of skills, certificates or degrees, placement in unsubsidized employment, and retention in employment; and
- c. How the specific program relates to the workforce investment needs identified in the local plan.

Special participant populations that face multiple barriers to employment are populations of low-income individuals that are included in one or more of the following categories:

- a. Individuals with substantial language or cultural barriers;
- b. Offenders;
- c. Homeless individuals;
- d. Deficient in basic literacy skills;
- e. School dropout;
- f. Single parent;
- g. Individuals in rural areas with limited employment opportunities; and
- h. Other hard-to-serve populations that may be defined by the Governor.

C. Partnering and Collaboration Projects

Service providers will not be competitively selected when projects are developed through local collaboration and partnering. Before a local agreement is negotiated, a pre-award review will be completed by the One-Stop Center Operator to evaluate the provider's ability to administer and complete the project.

ATTACHMENT I

D. Reporting**1. Adult and Dislocated Worker Services**

The One Stop Center Operator will provide the NDWDC a summary of the request for proposal, rating and selection process, and quarterly contract status and performance reports. Based on the evaluation of the reports, the NDWDC will determine the continuation of provider contracts.

2. Youth Services

The Youth Development Council and/or the One-Stop Center Operator may determine the need for contracted youth services.

The State WIA Administrative Entity will provide the Youth Development Council a summary of the request for proposal, rating and selection process, and quarterly contract status and performance reports. Based on the evaluation of the reports, the Youth Development Council will make recommendations to the NDWDC on the continuation of provider contracts.

1 Attachment

Provider Contracting Rating Sheet



PROVIDER CONTRACTING RATING SHEET
JSND/EMPLOYER & APPLICANT SERVICES
 SFN 51929 (R. 5-00)

Contract _____ Responder _____

Review Team _____

Review Date _____

Criteria	Points	
1. Did the responder address each of the required areas?	0 - 5	
Comments:		
2. Cost Analysis:	0 - 10	
Comments:		
3. Ability to meet program design requirements.	0 - 25	
A.	5	
B.	5	
C.	5	
D.	5	
E.	5	
Comments:		
4. Integrity, Business Ethics.		
Attorney General - Consumer Fraud Division	10	
Comments:		
5. General Quality of the Proposal.	10	
Comments:		
TOTAL POINTS (Max = 60)		
Note: Final award subject to positive audit results		

*Job Service North Dakota is an equal opportunity employer/program provider.
 Auxiliary aids and services are available upon request.*

ATTACHMENT I